

# EPA's Proposed Rule: Phasedown of Hydrofluorocarbons

**Air Pollution Control District**  
**June 16, 2021**



# **Where Can I find EPA's Proposed Phasedown of Hydrofluorocarbons Rule?**

# Where Can I find EPA's Proposed Phasedown of Hydrofluorocarbons Rule?

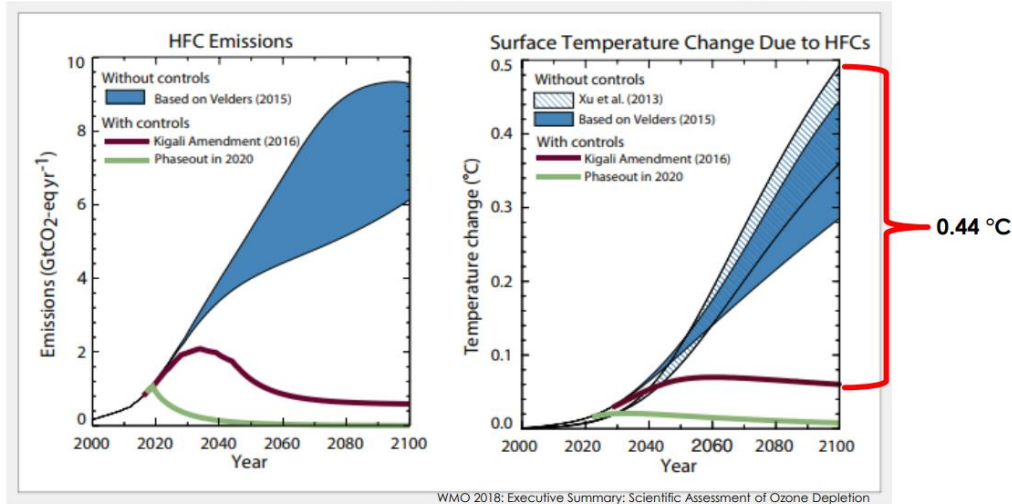
- [Federal Register link to Proposed Rule](#)
- [View the press release here](#)
- See Docket ID number EPA-HQ-OAR-2021-0044 at <http://www.regulations.gov> for supporting documents and submitted public comments.
- [View frequently asked questions concerning the HFC Allocation NPRM here](#).
- [HFC Allocation NPRM Federal Register \(PDF\)](#)(74 pp, 1 MB)
- [HFC Allocation NPRM Fact Sheet \(PDF\)](#)(4 pp, 316 K)
- [HFC Allocation NPRM FAQ \(PDF\)](#)(9 pp, 560 K)
- [Draft Regulatory Impact Analysis for Phasing Down Production and Consumption of Hydrofluorocarbons \(HFCs\) \(PDF\)](#)(174 pp, 2 MB)
- [EPA's slideshow on the American Innovation and Manufacturing Act](#)

# What's the Proposed Rule About?

# What's the Proposed Rule About?

The goal of the proposed rule is to reduce the production and use of highly potent hydrofluorocarbons (HFCs) by 85 percent over the next 15 years, an action estimated to avoid 0.5 °C of global warming by 2100.

**A global HFC phasedown is expected to avoid up to 0.5°C of global warming by 2100**



27150 Federal Register / Vol. 86, No. 95 / Wednesday, May 19, 2021 / Proposed Rules

**ENVIRONMENTAL PROTECTION AGENCY**

**40 CFR Parts 9 and 84**

[EPA-HQ-OAR-2021-0044; FRL-10023-08-OAR]

RIN 2060-AV17

**Phasedown of Hydrofluorocarbons: Establishing the Allowance Allocation and Trading Program Under the American Innovation and Manufacturing Act**

**AGENCY:** Environmental Protection Agency (EPA).

**ACTION:** Proposed rule.

**SUMMARY:** The Environmental Protection Agency is proposing to issue regulations to implement certain provisions of the American Innovation and Manufacturing Act, as enacted on December 27, 2020. This rulemaking proposes to: Establish the hydrofluorocarbon production and consumption baselines based on historical data; establish the allowance allocation program to phase down hydrofluorocarbon production and consumption; determine an initial methodology to allocating allowances and allowing for the transfer of those allowances; establish provisions for the international transfer of allowances; establish requirements to support compliance with phasing down hydrofluorocarbon production and consumption; establish recordkeeping and reporting requirements; release certain data to provide transparency and support implementation of the program; and, address certain other elements related to the effective implementation of the American Innovation and Manufacturing Act. In addition to the proposed provisions, EPA is seeking advance input on how the Agency may alter its determination of company-specific allocations in later years. EPA is considering these issues, and therefore is seeking public input on them, but is not making any particular proposal in relation to them, and therefore will not finalize any requirements on these topics before issuing a notice of proposed rulemaking and requesting public comment.

**DATES:** Comments on this notice of proposed rulemaking must be received on or before July 6, 2021. Under the Paperwork Reduction Act (PRA), comments on the information collection provisions are best assured of consideration if the Office of Management and Budget (OMB) receives a copy of your comments on or before June 18, 2021. The

Environmental Protection Agency (EPA) will hold a virtual public hearing on June 3, 2021. The date, time, and other relevant information for the virtual public hearing will be available at <https://www.epa.gov/climate-hfcs-reduction>.

**ADDRESSES:** You may send comments, identified by Docket ID No. EPA-HQ-OAR-2021-0044, by any of the following methods:

- **Federal eRulemaking Portal:** <https://www.regulations.gov> (our preferred method). Follow the online instructions for submitting comments.
- **Mail:** U.S. Environmental Protection Agency, EPA Docket Center, Air and Radiation Docket, Mail Code 28221T, 1200 Pennsylvania Avenue NW, Washington, DC 20460.
- **Hand Delivery or Courier (by scheduled appointment only):** EPA Docket Center, WJC West Building, Room 3334, 1301 Constitution Avenue NW, Washington, DC 20004. The Docket Center's hours of operations are 8:30 a.m.–4:30 p.m., Monday–Friday (except Federal Holidays).

**Instructions:** All submissions received must include the Docket ID No. for this rulemaking. Comments received may be posted without change to <https://www.regulations.gov>, including any personal information provided. EPA is temporarily suspending its Docket Center and Reading Room for public visitors, with limited exceptions, to reduce the risk of transmitting COVID-19. Our Docket Center staff will continue to provide remote customer service via email, phone, and webform. We encourage the public to submit comments via <https://www.regulations.gov> as there may be a delay in processing mail. Hand deliveries and couriers may be received by scheduled appointment only. For further information on EPA Docket Center services and the current status, please visit us online at <https://www.epa.gov/dockets>.

You may find the following suggestions helpful for preparing your comments: Direct your comments to specific sections of this proposed rulemaking and note where your comments may apply to future separate actions where possible; explain your views as clearly as possible; describe any assumptions that you used; provide any technical information or data you used that support your views; provide specific examples to illustrate your concerns; offer alternatives; and, make sure to submit your comments by the comment period deadline. Please provide any published studies or raw data supporting your position.

Multimedia submissions (audio, video, etc.) must be accompanied by a written comment. The written comment is considered the official comment and should include discussion of all points you wish to make. EPA will generally not consider comments or comment contents located outside of the primary submission (e.g., on the web, cloud, or other file sharing system). If you produced, imported, exported, or destroyed hydrofluorocarbons (HFCs) and were subject to the regulatory Greenhouse Gas Reporting Program (GHGRP) requirements (under 40 CFR part 98) and are seeking to provide EPA with your past HFC activity, you must report that data to EPA's electronic Greenhouse Gas Reporting Tool (e-GGRT) (<https://ghgreporting.epa.gov/ghg/login.do>). Companies that were not subject to the GHGRP may also submit HFC activity through e-GGRT. Information on how to report through e-GGRT in general is available at <https://ccdsupport.com/conflicence>, and specific guidance on HFC reporting is available at <https://ccdsupport.com/conflicence/display/help/EGGRT-and-HFC-Data-Reporting-related-to-AIM>. EPA requests that any company that reports on HFC activity to the GHGRP in response to the requests in this proposed rule also submit a comment to the docket noting the date that the company submitted the information to e-GGRT so that EPA can more easily track such submissions. EPA recognizes that given the nature of this proposed rulemaking, potentially affected entities may wish to submit Confidential Business Information (CBI) or other confidential information. CBI should not be submitted through <https://www.regulations.gov>. For submission of confidential comments or data (e.g., information relevant to your company's use of a hydrofluorocarbon in an application listed in subsection (e)(4)(B)(iv) titled Mandatory Allocations), please work with the person listed in the **FOR FURTHER INFORMATION CONTACT** section, particularly if submitting a comment containing CBI. For additional submission methods, the full EPA public comment policy, information about CBI or multimedia submissions, and general guidance on making effective comments, please visit <https://www.epa.gov/dockets/commenting-epa-dockets>.

**FOR FURTHER INFORMATION CONTACT:** Andy Chang, U.S. Environmental Protection Agency, Stratospheric Protection Division, telephone number:

<sup>1</sup> OMB Control No. 2060-0629.

# What are the Public Health Concerns?

# What are the Public Health Concerns?

TABLE 2—LIST OF REGULATED SUBSTANCES AND THEIR EXCHANGE VALUES

Chemical name	Common name	Exchange value
CHF <sub>2</sub> CHF <sub>2</sub> .....	HFC-134 .....	1,100
CH <sub>2</sub> FCF <sub>3</sub> .....	HFC-134a .....	1,430
CH <sub>3</sub> FCHF <sub>2</sub> .....	HFC-143 .....	353
CHF <sub>2</sub> CH <sub>2</sub> CF <sub>3</sub> .....	HFC-245fa .....	1,030
CF <sub>3</sub> CH <sub>2</sub> CF <sub>2</sub> CH <sub>3</sub> .....	HFC-365mfc .....	794
CF <sub>3</sub> CHF <sub>2</sub> CF <sub>3</sub> .....	HFC-227ea .....	3,220
CH <sub>3</sub> FCF <sub>2</sub> CF <sub>3</sub> .....	HFC-236cb .....	1,340
CHF <sub>2</sub> CHF <sub>2</sub> CF <sub>3</sub> .....	HFC-236ea .....	1,370
CF <sub>3</sub> CH <sub>2</sub> CF <sub>3</sub> .....	HFC-236fa .....	9,810
CH <sub>3</sub> FCF <sub>2</sub> CHF <sub>2</sub> .....	HFC-245ca .....	693
CF <sub>3</sub> CHFCH <sub>2</sub> CF <sub>2</sub> CF <sub>3</sub> .....	HFC-43-10mee .....	1,640
CH <sub>3</sub> F <sub>3</sub> .....	HFC-32 .....	675
CHF <sub>2</sub> CF <sub>3</sub> .....	HFC-125 .....	3,500
CH <sub>3</sub> CF <sub>3</sub> .....	HFC-143a .....	4,470
CH <sub>3</sub> F .....	HFC-41 .....	92
CH <sub>3</sub> FCH <sub>2</sub> F .....	HFC-152 .....	53
CH <sub>3</sub> CHF <sub>2</sub> .....	HFC-152a .....	124
CHF <sub>3</sub> .....	HFC-23 .....	14,800

[Proposed Rule at page 27153](#)

# How Does It Propose Controlling HFC-23?



# How Does It Propose Controlling HFC-23?

Under the Proposed Rule, a facility that creates HFC-23 capture the HFC-23 and either 1) expend production and consumption allowances to sell that HFC-23 for uses (e.g., etching) or 2) destroy the captured HFC-23 using a technology approved by the U.S. EPA.

From the Proposed Rule:

**§ 84.27 Controlling Emissions of HFC–23.**

(a) No later than October 1, 2022, as compared to the amount of chemical intentionally produced on a facility line, no more than 0.1 percent of HFC–23 created on the line may be emitted.

(1) *Requests for extension.* The producer may submit a request to the relevant Agency official to request a six-month extension, with a possibility of one additional six-month extension, to meeting the 0.1 percent HCFC–23 limit in § 82.15(a)(3). No entity may have a compliance date later than October 1, 2023.

[Proposed Rule at page 27218](#)

# How Does It Propose Controlling HFC-23?

Under the Proposed Rule, a facility that creates HFC-23 capture the HFC-23 and either 1) expend production and consumption allowances to sell that HFC-23 for uses (e.g., etching) or 2) destroy the captured HFC-23 using a technology approved by the U.S. EPA.

From the Draft Regulatory Impact Assessment:

EPA proposes that no later than October 1, 2022, as compared to the amount of chemical intentionally produced on a facility line, no more than 0.1% of HFC-23 created as a **byproduct** on the line may be emitted.

[Draft Regulatory Impact Assessment at page 36](#)

# What About Environmental Justice?

# What About Environmental Justice?

*Table 6-16: Community Profiles and NATA Risks for Chemours Louisville – Louisville, KY*

	Overall National Average	Overall State Average	Within 1 mile of HFC production facility	Within 3 miles of HFC production facility
% White (race)	72	87	59	30
% Black or African American (race)	13	8.1	37	64
% Other (race)	15	5.0	4.7	4.2
% Hispanic (ethnic origin)	18	3.7	4	5.3
Median Household Income (1k 2019\$)	71	55	40	35
% Below Poverty Line	7.3	9.5	13	15
% Below Half the Poverty Line	5.8	7.3	12	11
Total Cancer Risk (per million)	32	31	36	37
Total Respiratory Risk (hazard quotient)	0.44	0.43	0.46	0.49

[Draft Regulatory Impact Assessment beginning at page 98](#)

# How Can I Comment?

# How Can I Comment?

## Phasedown of Hydrofluorocarbons: Establishing the Allowance Allocation and Trading Program Under the American Innovation and Manufacturing Act

A Proposed Rule by the [Environmental Protection Agency](#) on 05/19/2021



You are submitting an official comment to Regulations.gov.  
Comments are due 07/06/2021 at 11:59 pm EDT.

**regulations.gov**  
[close comment form](#)

Thank you for taking the time to create a comment. Your input is important.

Once you have filled in the required fields below you can preview and/or submit your comment to the Environmental Protection Agency for review. All comments are considered public and will be posted online once the Environmental Protection Agency has reviewed them.

You can view [alternative ways to comment](#) or you may also comment via Regulations.gov at, <https://www.regulations.gov/commenton/EPA-HQ-OAR-2021-0044-0039>.

Comment\*  
..

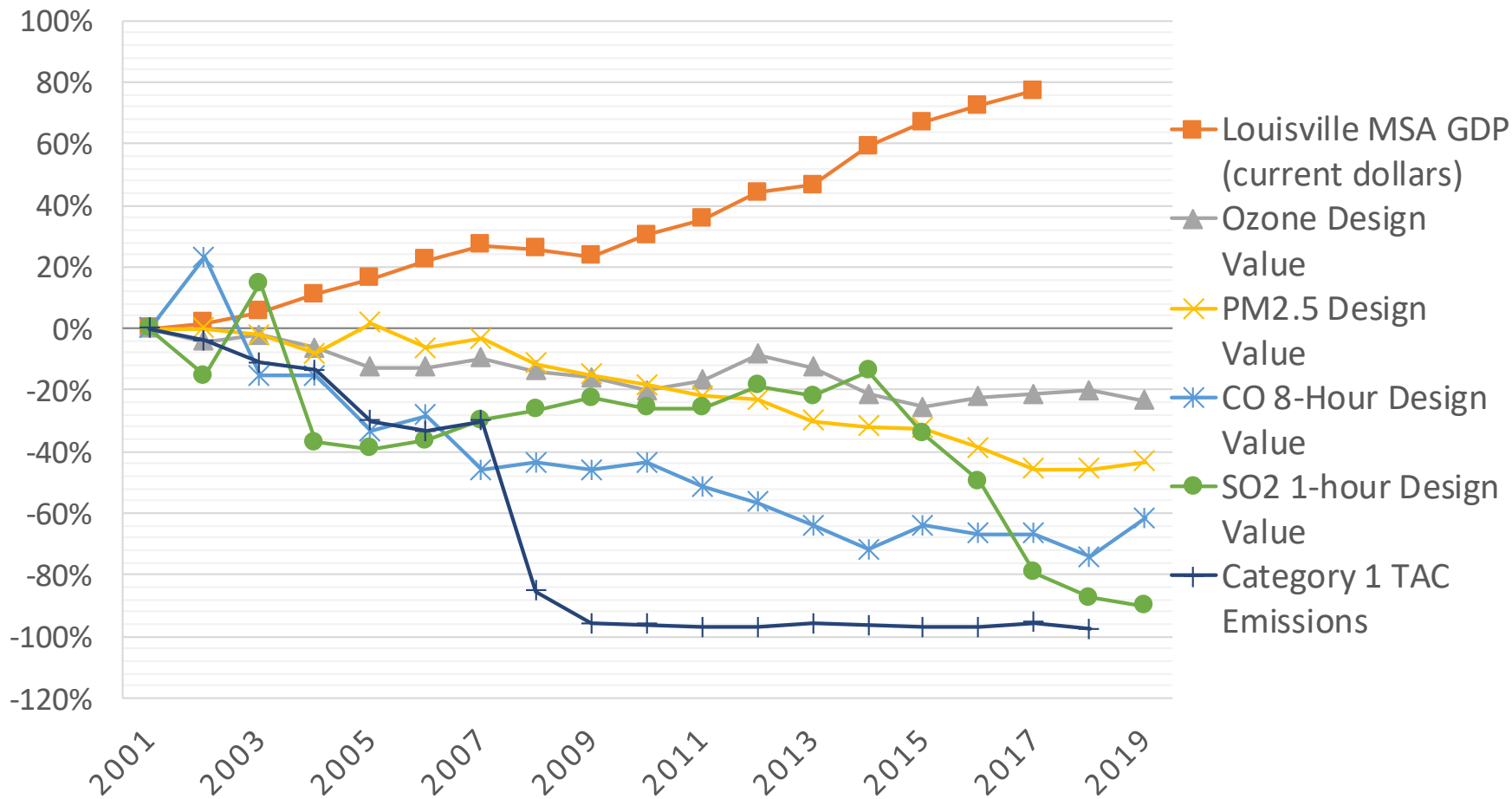
Upload File(s)

Add a file

Note: You can attach your comment as a file and/or attach supporting documents to your comment. [Attachment Requirements](#)

[CLICK HERE](#)

# Questions?



Louisville Metro  
Air Pollution  
Control District

701 W. Ormsby Ave.  
Ste. 303

Louisville, KY 40203  
(502) 574-6000

[www.louisvilleky.gov/APCD](http://www.louisvilleky.gov/APCD)